



**CITY OF SCOTTSDALE
HUMAN SERVICES COMMISSION AND HOUSING BOARD
JOINT SPECIAL MEETING
ONE CIVIC CENTER, 1st FLOOR CONFERENCE ROOM
7447 E. INDIAN SCHOOL ROAD
SCOTTSDALE, ARIZONA
OCTOBER 8, 2009**

HUMAN SERVICES COMMISSION:

PRESENT: Kathleen Hemmingsen, Chair
Katherine Weaver, Vice-Chair
Carroll Erickson, Commissioner
Steven Rosenberg, Commissioner
Jo Ann Woodward, Commissioner

ABSENT: Katy Kelewae, Commissioner
Andy Yates, Commissioner

HOUSING BOARD:

PRESENT: Joe Campodall'Orto, Chair
Nancy Cantor, Vice-Chair
Daniel Gottlieb, Board Member
Kathleen Puchek, Board Member
Nick Thomas, Board Member

ABSENT: Denise Carroll, Board Member
Gary Morgan, Board Member

STAFF: Michelle Albanese, Community Assistance Office
Justin Boyd, Housing Coordinator
Judy Crider
Cindy Ensign, Human Services Planner
Phil Hershkowitz, Recreation Coordinator
Raun Keagy, Citizen & Neighborhood Resources General Manager

Paul F. Ludwick, Human Services Director
William Murphy, Executive Director of Community Services
Theresa Schweitzer, Accounting Supervisor
Valerie Trujillo, Human Services Manager
Kasey Moyers, Human Services Manager

CALL TO ORDER/ROLL CALL:

Chair Hemmingsen called the joint special meeting of the Human Services Commission and the Scottsdale Housing Board to order at 5:09 p.m. A formal roll call confirmed the members present as stated above.

1. INTRODUCTIONS

The Chair of the Human Services Commission and the Housing Board will each introduce themselves and briefly describe their individual objectives for outcomes of the joint meeting. Following their introductions, the other members of the Board and Commission will provide brief introductions that will include background information pertinent to each person's role on the board or commission.

Chair Hemmingsen reported that her objective for today's meeting was to find out what the Housing Board's involvement would be in the Human Services Commission's funding process as well as the preparation of the Five-Year Plan.

Chair Campodall'Orto explained that his main objective for today's meeting was to improve the communication between the Housing Board and the Human Services Commission.

He summarized that the Housing Board was currently reviewing the housing element of the General Plan, the five-year comprehensive plan, as well as the housing strategy for the creation and preservation of high quality, safe and affordable housing in the City of Scottsdale. He opined that the Board could produce quality documents by collaborating and sharing information with the Commission.

Vice-Chair Weaver explained that she had a teaching background and is retired from Motorola. Her main interest is in human services.

Vice-Chair Cantor reported that she previously served on the Neighborhood Enhancement Commission and has lived in Scottsdale for over 50 years. She is very interested in giving back to the community as much as possible.

Commissioner Erickson stated that she was interested in having open communication as well as ensuring that the Commission's funding was viable and assisted the citizens of Scottsdale as much as possible.

Board Member Thomas recalled that the Mayor requested proactive interaction and stated that it could not occur without up-front communication. He opined that the Board's expertise should be utilized in making suggestions and recommendations pertaining to priorities for the five-year and annual plans.

Board Member Thomas explained that he had been involved with housing at every level of government and spent four years at HUD's central office as a Development Director working on block grants and housing for three different communities in two different states.

Commissioner Rosenberg reported that he had a background in human services administration and was currently serving as the Executive Director of the Valley of the Sun Jewish Community Center. He is interested in fostering communication between both groups to improve their successes.

Board Member Gottlieb explained that he was a licensed architect who was interested in finding ways to revitalizing the City's neighborhoods, including southern Scottsdale.

Commissioner Woodward stated that she is a nurse practitioner specializing in women's health and works at Arizona State University as well as a family planning and sexual health clinic at Grace Lutheran Church. She believes very strongly in community partnerships and stated that the Board and Commission should collaborate in educating the public about the existing services available to them.

Board Member Puchek reported that she had been primarily involved in municipal and state government since 1995 as well as being a CDBG manager. She currently works for the Arizona Department of Corrections managing 33 active grants. Board Member Puchek joined the Board to ensure that lower income citizens and working families have a place to live in the City of Scottsdale.

2. UPDATE ON HOLIDAY PARK (Information and Discussion)

Doug Lingner, Executive Director of the Housing Authority of Maricopa County will provide an update on his agency's application for Neighborhood Stabilization Program II (NSP2) funds to acquire and develop property in Holiday Park. He will be prepared to take questions from the Board and Commission.

Announcing that Mr. Lingner was unable to attend today's meeting due to a scheduling conflict, Mr. Ludwick presented the Holiday Park update.

He explained that two months ago the Maricopa County Housing Authority had submitted a grant application request for \$98,000,000 to the Department of Housing and Urban Development for the Neighborhood Stabilization Program. They expect a response by late November or early December.

Mr. Ludwick stated that the Housing Authority has received indications from HUD that they are still being considered for funding due to the strength of their application and how it fits within the grant parameters.

He summarized that the property contains 16 acres of existing buildings with 256 units. The grant proposal submitted was for acquisition, relocation, demolition, and development of the Holiday Park neighborhood and presented an overlay of its current boundaries.

Mr. Ludwick reported that an environmental review would have to be completed before the grant funds could be released if awarded and a one for one unit replacement was required since federal funds would be used to demolish existing properties.

The Housing Authority and the consortium have already met with the Mayor and Holiday Park service providers to educate the neighborhood representatives that citizens would present their questions to.

Mr. Ludwick explained that this type of project would require presentations to each of the Commissions upon the approval of its grant application in order to gather input and ensure its success.

Discussion:

Vice-Chair Cantor suggested that a relocation plan be prepared to assist the current residents and expressed the neighbors' concerns regarding vacant properties and vandalism issues that arise during the assemblage process.

Mr. Ludwick explained that it was hard to deal with such issues when there are a variety of foreclosed properties under multiple ownership. He pointed out that the Uniform Relocation Act requires negotiation with current tenants whenever the acquisition of property begins.

Vice-Chair Cantor recommended discussions with developers and City representatives to define legal guidelines for relocating displaced tenants. Mr. Ludwick suggested that the relocation discussion be initiated during the drafting of the General Plan's required revitalization element.

In response to Board Member Puchek's inquiry regarding whether there would be a subsidy for the relocation of families, Mr. Ludwick reported that relocation benefits are calculated based on the availability of comparable units.

In response to Chair Hemmingsen's inquiry Mr. Ludwick confirmed that tenants with Section 8 vouchers would be able to move to another location.

Discussion ensued regarding how many of the 256 units were considered historic and what the current vacancy rate was. Mr. Ludwick explained that he did not have answers to those questions at this time.

In response to Board Member Thomas' inquiry regarding whether there was a contingency plan if the project does not receive the stimulus funding applied for, Mr. Ludwick opined that the project would not go forward without the grant.

In response to Board Member Puchek's inquiry regarding whether the developer was considering care facilities in addition to single homes for seniors, Mr. Ludwick said that the Maricopa County Housing Authority had informed him that their intention was to retain ownership of the property for senior housing excluding assisted living and graduated care.

Chair Hemmingsen reported that the Paiute Neighborhood Center staff have been working with the Holiday Park citizens affected by foreclosures by locating housing solutions.

In response to Chair Campodall'Orto's inquiry as to whether the City has completed an infrastructure study, Mr. Ludwick stated that if a developer asks for increased density they must be able to pay for the associated infrastructure costs.

Discussion ensued regarding whether there was competition for the grant funding applied for and when the final approval of the grant was anticipated. Mr. Ludwick explained that it took a long time to obtain administration regulations on the CDBG funding that was approved, even though it was a simple grant application.

In response to Commissioner Rosenberg's inquiry regarding housing for displaced tenants, Mr. Ludwick responded that the Uniform Relocation Act mandates would apply to the Holiday Park projects if the federal funding is approved.

Mr. Keagy's requested a summary of the commitments Mr. Lingner and his organization have made involving the community and stakeholders involved in the process.

Mr. Ludwick recalled that when Mr. Lingner met with him and the Mayor he expressed an interest in holding as many public meetings as necessary to discuss issues related to the Holiday Park development as well as assisting tenants with relocating in the same neighborhood.

Chair Hemmingsen invited Mr. Ludwick to return to both the Board and Commission with a progress report on the Holiday Park project.

3. SKY VISTA (Information)

Paul Ludwick, Human Services Director, will provide an update from CSA on the current status of the project to acquire and develop the property on the north side of Belleview Street.

Mr. Ludwick reported that last year the Sky Vista development was presented to City Council as a multi-family property developed under tax credits with an eventual conversion to home ownership.

He summarized that even though the Sky Vista project was not awarded tax credit funding over the summer, CSA has chosen to research other funding possibilities rather than waiting to reapply for tax credits in March 2010.

Mr. Schwartz has informed him that they are currently negotiating with a private developer and a non-profit developer to possibly create a three-party development of the properties as single family condominium units. Changes in the ownership structure would require the Sky Vista project to return to City Council for another approval, due to the notes and deeds of trust on the property.

Mr. Ludwick discussed the fact that the contracts for the \$700,000 approved in 2008 for the Sky Vista project would not be drawn up until CSA is ready to undertake the project activities they were funded for. Staff will bring an update to both the Board and Commission once CSA demonstrates they are ready to move forward with the project.

Discussion ensued regarding the approved funding being available for reprogramming to fund another project after the June 30, 2010 deadline if CSA was unable to make arrangements for additional funding of the Sky Vista project.

Board Member Thomas recalled that CSA was contemplating conventional financing with partners, the possibility of land trusts, and may consider applying for foreclosure funding rather than CDBG funding.

He stated that there is an assumption that north Scottsdale does not need housing assistance and recalled a September 27, 2009 article on a Chandler family who lost their home, pointing out that citizens do not know how to access assistance. Board Member Thomas explained that there are six stages of assistance for families in need: Prevention, possible loan modifications, vacant units turned into transitional housing, emergency assistance for utilities, and food banks.

Mr. Ludwick pointed out that this topic related more to agenda item four. Board Member Thomas argued that some of the Sky Vista buildings were vacant and could be used as transitional housing.

In response to Vice-Chair Cantor's inquiry regarding how vacant properties are being maintained, Mr. Keagy recalled that Code Enforcement requested that CSA secure the vacant properties and they complied. He noted that the neighbors prefer that the property stay whole rather than being demolished.

4. **HOUSING BOARD STATEMENT OF PURPOSE, UPDATE OF GENERAL PLAN AND HOUSING STRATEGY (Information)**

Raun Keagy, Director of Neighborhood Planning Services, will discuss the purpose statement from the Housing Board and recent efforts to formalize the mission of the Board.

Mr. Keagy reported that when preparing the General Plan update they look at four elements relating to neighborhoods: Community involvement, housing, neighborhood preservation/revitalization, and conservation rehabilitation/development. He noted that the Housing Board was working on the Housing Element update.

Mr. Keagy explained that in 1999 the Board prepared a strategy for the creation and preservation of high quality, safe and affordable housing which was adopted by City Council and updated in 2001. He stated that this year the Board decided to incorporate the best parts of the strategy into the gold standards of the General Plan.

Mr. Keagy presented the July 23, 2009 Housing Board statement and opined that it was likely that the statement would be adopted as part of the board's bylaws. He invited the Commission to provide suggestions and input on the statement.

Discussion ensued regarding whether the Board and Commission were duplicating efforts and where could both organizations work together towards similar goals.

Chair Hemmingsen suggested that section B under number three be changed to number four indicating that the Board would collaborate with the Human Services Commission on planning priorities and implementations regarding federal funding for the CDBG and Home programs. She pointed out that as it is currently written it relates to Commission responsibilities:

"With the assistance of City staff the Board may advise City Council on all housing issues including, but not limited to, the following: Planning, priorities, implementation, recommendations for federal and state funding proposals and projects including, but not limited to, CDBG Home and others."

Chair Campodall'Orto agreed to consider the recommendation when the Board prepares the statement of purpose. Vice-Chair Weaver pointed out that the word "not" was missing from in front of "limited to."

In response to Vice-Chair Weaver's inquiry regarding what "not limited to" refers to, Board Member Thomas recalled that the Mayor indicated that he would like the Board to address housing issues city wide. Chair Campodall'Orto stated that the Board does not want to be limited to an existing strategy or policy as suggested under section H.

In response to Commissioner Rosenberg's inquiry regarding why section D exists solely for private investment rather than making green design recommendations for all future development reviewed by the Board, Vice-Chair Cantor explained that the community does not want the government involved in creating housing.

She opined that after hearing that the Maricopa County Housing Authority was interested in Scottsdale they would consider making the suggested change to Section D. Board Member Puchek pointed out that section H was added as a result of the numerous foreclosures.

Chair Campodall'Orto reported that there were no current laws requiring green design other than those relating to city mandated buildings. Commissioner Rosenberg suggested making a recommendation to City Council that all new buildings include green design.

Discussion followed regarding the private sector being more likely to consider other locations where green design was not mandatory due to costs, and the fact that some developers are including green design because they believe energy efficient homes sell better.

Mr. Keagy explained that the more Boards and Commissions supporting such a recommendation would improve its chances of success. Chair Campodall'Orto opined that green design does not cost more if implemented correctly from the very beginning.

In response to Commissioner Erickson' inquiry regarding what the City Council wants regarding housing, Board Member Thomas recalled various meetings with City Council members and noted that the Board had invited the Mayor to attend a future meeting to discuss the topic.

Vice-Chair Cantor recalled that she obtained a copy of the housing strategy last summer which was approved by City Council in 1999 and updated in 2001 that the

Board was never involved in preparing. She summarized that the Board recently updated their bylaws and just began drafting a housing strategy, updating the housing element, and creating an implementation process for the housing element of the General Plan.

In response to Commissioner Woodward's inquiry regarding whether the Board has jurisdiction over housing issues such as waterfront sewage, Vice-Chair Cantor stated that the issue relates to infrastructure.

Commissioner Woodward suggested including that under section 2 relating to residential land use standards. Vice-Chair Cantor opined that waterfront sewage would go under the revitalization section of the General Plan.

Discussion ensued regarding the need for housing in north Scottsdale because investors are purchasing foreclosed properties as income properties, which often leads to urban blight.

5. ALLOCATION OF FUNDS FOR FY 2010/2011 (Information and Discussion)

Paul Ludwick, Human Services Director, will provide an overview of the funding process for FY 2010/2011 and facilitate a discussion of Housing Board involvement in that process.

Mr. Ludwick reported that the annual action plan is a guideline developed for the use of CDBG fund as well as the review of non-profit agency applications for home funds, general funds, and Scottsdale Cares funds that are allocated by the City to housing and human services activities.

He summarized that the funding process involves the submission of applications by non-profit agencies, meetings between the applicants and the Human Services Commission to review applications and suggestions, followed by a recommendation to City Council on the package of funding sources in April.

Mr. Ludwick recalled that the Commission has expressed the desire to involve the Housing Board in the housing elements of the funding process. He elaborated that CDBG funds were split into administrative funds, public service funds, and everything else which includes \$700,000 to \$900,000 for housing activities and public facilities.

Chair Campodall'Orto reported that the consensus of the Housing Board was to review the housing applications related to the funding of Section 8, CDBG, and Home Funds, along with final recommendations to the Human Services Commission and City Council if necessary. He pointed out that applications related to commercial usage similar to the revitalization of the McDowell Road Corridor which would affect the character of neighborhoods should also be included.

In response to Vice-Chair Cantor's inquiry regarding how the CDBG funds were divided, Mr. Ludwick explained that the CDBG funds consisted of 20% administrative, 15% public services, with the balance of the funds being used for housing and public facilities.

It was suggested that the public applicant presentations could be grouped together and scheduled for the beginning of the Human Services Commission meeting to make it easier for Housing Board Members to attend.

Board Member Thomas argued that receiving the binders one week before the public presentations did not allow adequate time for review. Mr. Ludwick explained that it was important to maintain an application process that is consistent with the City's Procurement Code.

Mr. Keagy elaborated that the duties of the Housing Board require the review of the housing related applications submitted to the Commission for funding recommendations. He stated that the Board would formalize their decision in November to participate in the Commission's future CDBG application review meetings.

6. **FIVE YEAR CONSOLIDATED PLAN-NEEDS ASSESSMENT** (Information and Discussion)

Paul Ludwick and Michelle Albanese will lead a discussion on the development of the Five Year Consolidated Plan for Housing, Human Services and Community Development. Ms. Albanese will provide an outline for the development of housing needs statements, goals, delivery systems, resources, outcomes, in performance indicators. The Board Members and Commissioners will be invited to present suggestions on needs assessment for housing and homelessness to be included in the Consolidated Plan.

Mr. Ludwick announced that the City is in the process of developing a five-year consolidated plan which will include the housing and community development consolidated plan for the CDBG and home funds as well as the human services plan. He invited the Board to participate in the needs assessment and development of housing objectives for the housing components of the five-year consolidated plan.

Ms. Albanese reported that the City receives annual funds from HUD for the CDBG program and requires the City to produce a five-year plan that assesses and prioritizes community needs, and recommends services to address them.

The main goal of the 2010/2014 five-year consolidated plan is to identify needs such as housing, homelessness, community development which also includes economic opportunities, and non-homeless special needs.

Ms. Albanese recalled that staff developed the youth, adult and family, and senior surveys which are available on the web in order to obtain citizen input for the five-year consolidated plan. A public hearing at the end of the process is planned in order to gather input from the non-profit service providers. Ms. Albanese summarized the five-year consolidated plan timeline as follows:

Four Needs Category Discussion:

Ms. Albanese invited everyone to participate in a discussion of the four needs categories necessary for the five-year consolidated plan. She suggested considering a specific target population and its demographics along with the needs assessment in trends for that target population.

In response to Board Member Puchek's inquiry regarding whether an environmental study for the Holiday Park project could be funded through the CDBG program, Mr. Ludwick said the grant for the project should pay for the environmental review.

In response to Board Member Thomas' inquiry regarding how the public was notified about the availability of funding and the application process. Mr. Boyd responded that staff sends out a mass mailing to an interested parties list.

Needs Assessment:

Ms. Albanese posted the four needs categories up on the board and invited everyone to suggest community needs or trends they see based on the current market place.

Housing Needs	Homelessness Needs	Community Development Needs	Non-Homeless Special Needs (Disabilities)
<ul style="list-style-type: none"> • Aging in place • Naturally occurring retirement communities • Adequate transportation • Transition to aging with care • ADA home improvements • Affordable workforce or essential workers housing • Homebuyer assistance • Mixed income housing • Foreclosures • Housing choice • Transitional housing/ matching owners with renters • Land trusts • Code Enforcement 	<ul style="list-style-type: none"> • Transportation vouchers • Transitional housing or shelters • Daily storage • Education • Healthcare • Food/clothing • Job training • Zipcar program 	<ul style="list-style-type: none"> • Adequate transportation • Expanding senior centers • Affordable senior housing with amenities • Infrastructures/ neighborhood public improvements • Neighborhood centers • Career development centers • Open space • Safe lighting and shade 	<ul style="list-style-type: none"> • Adequate transportation • Adolescent emergencies • Drug and alcohol rehab • Job and life skill training for the disabled • Employer training re: disabled employees • Urgent care for mentally ill • Adult daycare • Support for autistic children, seniors with Alzheimer's • Home chore assistance for seniors • Assistance for homebound citizens • After school programs • Gang or youth violence prevention

7. **COMMENT ON THE JOINT MEETING** (Information and Discussion)

Board and Commission Members will be invited to comment on the meeting and to indicate whether the objectives of the joint meeting have been met. If a comment requires action by the Commission or Housing Board, the item should be placed on a future agenda in compliance with the Arizona Open Meetings Law.

Chair Campodall'Orto opined that the objectives discussed at the beginning of the meeting have been met and pointed out that both organizations have come together tonight to help the citizens of Scottsdale. He suggested that the Housing Board and Human Services Commission keep the lines of communication open in order to keep each other informed while working together.

Vice-Chair Cantor stated that the Board could complete the Purpose Statement and forward the draft onto the Commission for review.

Board Member Thomas expressed the Board's appreciation of the Human Services Commission for attending today's meeting as well as their efforts to collaborate with the Board on housing issues in Scottsdale. Commissioner Hemmingsen thanked the Housing Board and the staff presenters for attending today's joint meeting.

8. OPEN CALL TO THE PUBLIC (A.R.S. § 38-431.02)

No members of the public wished to address the Commission or Board.

9. ADJOURNMENT

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 7:53 p.m.

Respectfully submitted,
AV Tronics, Inc. DBA AVTranz

Meets established criteria,

A handwritten signature in black ink, appearing to read 'Paul F. Ludwick', is written over a horizontal line.

Paul F. Ludwick
Human Services Director